



March 2008



*Georgia Department of Banking & Finance— Non Depository Financial Institutions Division
Monthly Summary of Mortgage Activities for the Period Ending March 2008*

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Useful Links

MORTGAGE FORMS:

[DBF.GEORGIA.GOV/
DBFMTGFORMS](http://DBF.GEORGIA.GOV/DBFMTGFORMS)

**UPDATING LICENSE
INFORMATION**

[DBF.GEORGIA.GOV/
DBFMTGFORMS](http://DBF.GEORGIA.GOV/DBFMTGFORMS)

MORTGAGE SUMMARY

[DBF.GEORGIA.GOV/
DBFMTGSUMMARY](http://DBF.GEORGIA.GOV/DBFMTGSUMMARY)

NEWS ITEMS

NATIONAL NEWS

**Temporary Change in Conforming
Loan Limits—FHA**

(From HUD Website www.fha.gov)

Effective March 6, 2008, HUD will offer temporary FHA loan limits that will range from \$271,050 to \$729,750 (Limits). Overall, the change in loan limits will help provide economic stability to America's communities and give nearly 240,000 additional homeowners and homebuyers a safer, more affordable mortgage alternative. The maximum amount of \$729,750 will only be applicable to extremely high-cost metropolitan areas. Previously, FHA's loan limits in these very high-cost areas were capped at \$362,790.

The Economic Stimulus Act of 2008 permits FHA to insure loans on amounts up to 125 percent of the area median house price, when that amount is between the national minimum (\$271,050) and maximum (\$729,750). The new minimum and maximum loan limits are based on 65 percent and 175 percent of the conforming loan limits for Government-Sponsored Enterprises in 2008, which is \$417,000. The FHA used a combination of existing government data sets and available commercial information to determine the median sales price for each area. The change in loan limits are applicable to all FHA-insured mortgage loans endorsed with HUD's publication of the increased loan limits today, and it lasts until December 31, 2008. By increasing loan limits nationwide, FHA will provide much needed liquidity and stability to housing markets across the country. Already, as conventional sources of mortgage credit have been contracting, FHA has been filling the void. From September to

December 2007, FHA facilitated more than \$38 billion of much-needed mortgage activity in the housing market, more than \$15 billion of which was through FHASecure, FHA's refinancing product. By focusing on 30-year fixed rate mortgages, FHA helps homeowners avoid and escape the risks associated with exotic subprime mortgage products, which have resulted in rising default and foreclosure rates. "This is not an easy crisis to address, and there is no silver-bullet, but I know that we can help hundreds of thousands of people keep their homes, and we can calm the waters," said HUD Secretary Jackson. In January 2009, FHA's maximum loan limit will return to \$362,790, unless the U.S. Congress approves bipartisan legislation to permanently increase loan limits as part of the FHA Modernization bill, which is still awaiting final approval on Capitol Hill.

To read the loan limits mortgagee letter, visit:

[http://www.hud.gov/offices/adm/hudclips/
letters/mortgagee/08-06ml.doc](http://www.hud.gov/offices/adm/hudclips/letters/mortgagee/08-06ml.doc)

If you need to determine the FHA mortgage limits for your area or several areas, and then list them by state, county, or Metropolitan Statistical Area, visit:

<https://entp.hud.gov/idapp/html/hicostlook.cfm>

GEORGIA NEWS

GCIC Checks

Not performing the required Georgia Crime Information Center ("GCIC") background check for employees is a common violation cited by examiners. Many licensees are employing third-party companies to perform the required background checks, but are still not in compliance. Often, third-party

(Continued on page 2)

News—Continued

("Background Checks" Continued from page 1)

background checks do not contain an individual's full criminal history, as many only search public records for the past seven or ten years, and/or do not search the GCIC database. It is important that all licensees, whether located in Georgia or not, are performing the correct background check. The Department holds the licensee responsible if it employs a felon.

The simplest way to ensure that your background check is in compliance is to obtain it from a local sheriff's office or police department in the state of Georgia. GCIC background checks are not restricted to a certain time limitation and contain a subject's identification data, arrest data (including arresting agency, date of arrest, and charges), final judicial disposition data submitted by a court, prosecutor, or other criminal justice agency, and custodial information if the offender was incarcerated in a Georgia correctional facility.

In addition to performing GCIC background checks on Georgia employees, the Department recommends that all licensees located outside the state of Georgia obtain criminal history records on employees from their local criminal justice agency. This will help ensure that licensees do not employ a convicted felon, which is strictly prohibited regardless of their position or job duties with the company. Don't get cited for this violation, or worse, do not get revoked for hiring a convicted felon. Perform the proper background check! More information on GCIC is available at <http://www.ganet.org/gbi/crimhist.html>.

FY 2009 Renewals

The FY2009 license renewal deadline has come. Late renewal fines will be assessed, and for broker/processor licensees who failed to obtain Continuing Education credits prior to April 1, the \$1,000 fine will also be assessed.

Should any additional information be required for any license renewal, the licensee will be contacted by e-mail or fax ONLY. Renewals requiring additional information cannot be approved until such information is received and issues resolved. With few exceptions, all outstanding fines and fees must be paid. As most licensees wait until the deadline to make their renewal application, the bulk of the renewal reviews have only begun. Please do not contact the Department regarding the status of

your renewal. We will contact you if additional information is required. License certificates will be sent out by e-mail ONLY! So please make certain we have a valid e-mail address. Corrections can be made at:

<https://bkgfin.dbf.state.ga.us/MortgageDocs/MBContactChng.html>

BROKERS/PROCESSORS ONLY - CONTINUING EDUCATION REQUIREMENT – If you failed to meet the continuing education requirement of obtaining credits by March 31, then a \$1,000 fine will be assessed, in addition to the \$300 late renewal fine which was assessed as of April 4. In order to renew, the continuing education credits must be obtained prior to June 30, 2008, both fines noted above must be paid, and the on-line renewal completed.

CREDIT SCAM

The Department has become aware of a credit repair scam targeting banks, credit unions, finance companies and mortgage lenders. Creditors have reportedly granted loans to perpetrators based on "cleaned up" credit reports.

Perpetrators take advantage of the Fair Credit Reporting Act to dispute accounts that have negatively impacted their credit scores. They also may file police reports alleging they were victims of identity theft. The resulting police reports are then used to file disputes with the credit reporting agency.

Because the credit reporting agency has 30 days to verify the derogatory information or delete the information from the credit reports, derogatory information may be deleted if the agency cannot investigate the complaint within the specified time period. This results in an improved "cleaned up" credit score.

Closer scrutiny of loan requests may be appropriate where identity theft alerts are known to have been filed. Financial institutions suspecting activity of this nature should file a Suspicious Activity Report (SAR).

SPEAKING ENGAGEMENTS

There are no upcoming speaking engagements for April, 2008.

HOLIDAY CLOSING

The Department will be closed on Monday, April 28, for Confederate Memorial Day.

Administrative Actions

CEASE AND DESIST ORDERS—ISSUED

- ◆ **American Mortgage Express Corp., Mount Laurel, NJ (license no. 13545)** – Cease and Desist Order issued February 21, 2008 became final on March 22, 2008.
- ◆ **Apex Financial & Investments, Inc., Duluth, GA (license no. 21089)** – Cease and Desist Order issued February 12, 2008 became final on March 13, 2008.
- ◆ **Apollo Mortgage Group, LLC, Birmingham, MI (license no. 21668)** – Cease and Desist Order issued February 22, 2008 became final on March 24, 2008.
- ◆ **Brookwood Mortgage Funding Corp., Atlanta, GA (license no. 6526)** – Cease and Desist Order issued February 28, 2008 became final on March 31, 2008.
- ◆ **Capital Services Group, Inc., Roswell, GA (license no. 18084)** – Cease and Desist Order issued February 15, 2008 became final on March 16, 2008.
- ◆ **First American Realty Capital Corp., Los Angeles, CA (license no. 15179)** – Cease and Desist Order issued February 4, 2008 became final on March 5, 2008.
- ◆ **Key Financial Investment Company, Chicago, IL (license no. 22261)** – Cease and Desist Order issued February 27, 2008 became final on March 28, 2008.
- ◆ **Kim, Wayne A., Lake Elsinore, CA** – Cease and Desist Order issued February 19, 2008 became final on March 11, 2008.
- ◆ **Lenox Financial Mortgage, LLC, Atlanta, GA (license no. 19100)** – Cease and Desist Order issued February 19, 2008 became final on March 11, 2008.
- ◆ **Melvin, Kawana, Atlanta, GA** – Cease and Desist Order issued February 26, 2008 became final on March 28, 2008.
- ◆ **Riverbank Mortgage Corporation, Roswell, GA (license no. 16276)** – Cease and Desist Order issued February 27, 2008 became final on March 28, 2008.
- ◆ **SouthStar Mortgage and Financial Services, Inc., Columbus, GA (license no. 20112)** – Cease and Desist Order issued February 12, 2008 became final on March 13, 2008.
- ◆ **Transland Financial Services, Inc., Maitland, FL (license no. 11888)** – Cease and Desist Order issued February 11, 2008 became final on March 12, 2008.
- ◆ **Trinity Mortgage Capital, Inc. (TN), Knoxville, TN (license no. 20413)** – Cease and Desist Order issued February 25, 2008 became final on March 26, 2008.

Administrative Actions

CEASE AND DESIST ORDERS—LIFTED

- ◆ **Best Interest Rate Mortgage Company, LLC, Westmont, NJ (license no. 20436)** – Cease and Desist Order issued January 8, 2008 was lifted on March 28, 2008.
- ◆ **SI Mortgage Company dba sistarmortgage company, Shelby Township, MI (license no. 22625)** – Cease and Desist Order issued January 8, 2008 was lifted on March 7, 2008.

FINAL CONSENT ORDERS ISSUED

- ◆ **Ingram, Tangalia, Morrow, GA** – Consent Order issued on March 6, 2008 became final on March 6, 2008.

SUPERIOR COURT INJUNCTIONS ISSUED

- ◆ **None**

FINE INFORMATION

Information regarding fines assessed against a specific licensee, against whom there are no pending administrative actions, is available on an individual licensee basis by submitting a written request to the following e-mail address: dbfmort@dbf.state.ga.us

FINE REASON

5 Licensees fined for Advertising Violations	2 Licensee fined for Background Check Violation
1 Licensee for Prohibited Acts	3 Licensees fined for Books & Records
3 Licensee fined for Loan Files Not Properly Maintained	1 Licensee fined for Change in Mgmt w/o Approval
1 Licensee fined for Doing Business w/ Unlicensed Entity	1 Licensee fined for Hiring 1099 Employees
1 Licensee fined for Acq of 10% of Lic. w/o Prior Approval	1 Licensee fined for Unapproved Branch Manager
1 Licensee fined for Employment of a Felon	225 Licensees fined for \$6.50 Fees Not Paid

**LICENSEES/REGISTRANTS REVOKED, EXPIRED, SURRENDERED, WITHDRAWN OR DENIED
IN MARCH 2008**

ID#	NAME	CODE	REVOKED	EXPIRED	SURRENDERED	WITHDRAWN	DENIED
6526	BROOKWOOD MTG FUND- ING COR	BD		03-31-2008			
7502	BEAZER MTG CORP	LD				03-13-2008	
11788	BROOKSAMER MTG CORP	LD				03-24-2008	
11888	TRANSLAND FINL SVCS INC	LD		03-12-2008			
12179	HEARTLAND HM FIN INC	LD				03-15-2008	
13545	AMER MTG EXPRESS CORP	LD		03-22-2008			
14066	QUALITY PLUS MTG INC	BD				03-24-2008	
14414	CREDIT-BASED ASSET SE- CUR	LD				03-28-2008	
15179	FIRST AMERICAN REALTY CAP	LD		03-05-2008			
15383	CENTURY HM MTG CORP	BD				03-14-2008	
16275	WINDWARD MTG GA LLC	BD				03-07-2008	
16276	RIVERBANK MTG CORP	BD		03-28-2008			
16423	DREAM HOUSE FINL CORP	BD				03-14-2008	
16673	NORTHSIDE LENDING INC	BD				03-31-2008	
17381	ARI FINL SVCS LLC	BD				03-07-2008	
18084	CAP SVCS GRP INC	BD		03-16-2008			
18585	BEACON HILL FINL LLC	BD				03-14-2008	
19280	FREDERICK MTG GRP LLC	BD				03-18-2008	
19811	RESOURCE MTG LTD	LD				03-12-2008	
20112	SOUTHSTAR MTG & FINL SVCS	BD		03-13-2008			
20179	MCCARTHY, JERRY F	BD				03-07-2008	
20202	ACCELERATED MTG SVCS LLC	BD				03-31-2008	
20413	TRINITY MTG CAP INC	BD		03-26-2008			
20510	PACWEST FUNDING	LD				03-26-2008	
20651	SMART MONEY MTG INC	LD	03-11-2008				
20888	VERIDIAN FINL INC	LD				03-03-2008	
20926	CENTER FINL GRP INC	BD				03-31-2008	
20971	CENTURY FINL SVCS LLC	BD				03-17-2008	
21014	WEBTREELOANCOM INC	LD				03-17-2008	
21089	APEX FINL & INV INC	BD		03-13-2008			
21233	EPI MTG CTR INC	LD				03-03-2008	
21668	APOLLO MTG GRP LLC	BD		03-24-2008			
21904	ATLANTIC FINL FUNDING INC	BD				03-03-2008	
22066	1ST LIBERTY INC	LD				03-07-2008	
22175	OPTIMA MTG CORP	LD				03-18-2008	
22261	KEY FINL INV CO	BD		03-28-2008			

TOTAL: 36

LICENSEES/REGISTRANTS APPROVED OR REINSTATED IN MARCH 2008

ID#	COMPANY NAME	CITY	ST	MB CD	ORIGINAL APPROVAL	RENEWAL	REINSTATED
23155	Strategic Recovery Group, LLC	Plano	TX	L	03-07-2008	03-07-2008	
23246	FCI Lender Services, Inc.	Anaheim Hills	CA	L	03-07-2008	03-07-2008	
23188	Prodovis Mortgage, LLC	Arlington	TX	L	03-14-2008	03-14-2008	
23231	BIC Investments, LLC	Portland	OR	L	03-14-2008	04-02-2008	
20929	America's Lending Leader, LLC +	Powder Springs	GA	B	12-16-2005	04-02-2008	
23132	First Community Mortgage Group, Inc.	Blue Ridge	GA	B	03-07-2008	04-02-2008	
23158	Crysler Financial, LLC	Ocala	FL	B	03-07-2008	04-02-2008	
23168	Vertex Financial Group, Inc.	Highlands Ranch	CO	B	03-07-2008	04-02-2008	
23197	Arch Bay Holdings, LLC	Irvine	CA	L	03-07-2008	04-02-2008	
23203	Roy Douglas Maynard	Savannah	GA	B	03-07-2008	04-02-2008	
23218	VM Lending, LLC	Alpharetta	GA	B	03-07-2008	04-02-2008	
23204	H & H Funding Group, LLC	Atlanta	GA	B	03-14-2008	04-02-2008	
22625	SI Mortgage Company	Shelby Town-ship	MI	B	07-27-2007	04-02-2008	03-07-2008
20436	Best Interest Rate Mortgage Company, LLC	Westmont	NJ	L	07-01-2005	03-28-2008	03-28-2008

TOTAL: 14



DBF's Customer Service Stars for the Month of March

It is the Department's goal to provide excellent customer service, meeting and exceeding the expectations of our customers. Along those lines, we would like to recognize the following individuals or groups for going above and beyond in serving our customers:

Supervisory Examiner Diane Hester (NDFI Division): The Department received comments from a customer stating: **"I worked with Diane Hester and this lady was impressive!! I had to get her some information and she went above and beyond to help me with getting started. She gave me some great information and some pointers that I know will help me succeed!"**



FASTER. FRIENDLIER. EASIER.



The Department is the state agency that regulates and examines banks, credit unions, and trust companies chartered by the State. The Department also has regulatory and/or licensing authority over mortgage brokers, lenders, and processors, money service businesses, international banking organizations, and bank holding companies conducting business in Georgia.

Our MISSION is to promote safe, sound, competitive financial services in Georgia through innovative, responsive regulation and supervision.

Our VISION is to be the best financial services industry regulator in the country – Progressive. Proactive. Service-Oriented.

**CONGRATULATIONS AND GREAT JOB TO THIS MONTH'S
CUSTOMER SERVICE STARS!!**

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Banking and Finance

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We're on the Web!
dbf.georgia.gov

LICENSE STATUS CHANGE INDICATORS & MORTGAGE LICENSE CODES—(In Tables)

License Status Indicators		(MB CD) - Mortgage License Codes	
*	Upgrade Broker to Lender	B	Broker
+	Downgrade Lender to Broker	L	Lender
#	Upgrade Lender to Registrant	P	Processor
•	Downgrade Registrant to Lender	R	Registrant



Our Motto is: "Safeguarding Georgia's Financial Services"

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